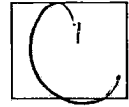


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-04131A

Cross Creek Ranch Water Company

~~6825 E. Tennessee Ave., Ste 547~~ c/o Homeco

~~Denver, CO 80224~~

6586 HWY 179, STE C-1
SEDONA, AZ 86351

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
----	----	------

FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

6-19-07

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Cross Creek Ranch Water Company</u>		
Mailing Address <u>c/o HOAMCO, 6586 Highway 179, Suite C1</u>		
<u>Sedona</u> (City)	<u>AZ</u> (State)	<u>86351</u> (Zip)
<u>303-333-1250</u> Telephone No. (Include Area Code)	<u>303-333-1257</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u>paulf@hoamco.com</u>		
Local Office Mailing Address <u>c/o HOAMCO, 6586 Highway 179, Suite C1</u>		
<u>Sedona</u> (City)	<u>AZ</u> (State)	<u>86351</u> (Zip)
<u>928-282-4479</u> Local Office Telephone No. (Include Area Code)	<u>928-203-0050</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u>paulf@hoamco.com</u>		

MANAGEMENT INFORMATION

Management Contact <u>Paul Frieder</u> <u>Steve Burnett</u>		Manager
<u>P.O. Box 3890</u> <u>6586 Highway 179 Suite C1</u> (Street)	<u>Sedona</u> (City)	<u>AZ</u> (State)
<u>(928) 203-9320</u> <u>(928) 282-4479</u>	<u>9321</u> <u>(928) 203-0050</u>	<u>86340</u> <u>86351</u> (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address <u>paulf@hoamco.com</u> <u>steveburnett@esedona.net</u>		
On Site Manager: <u>A-QUALITY WATER COMPANY</u> <u>SAME AS ABOVE</u>		
<u>P.O. Box 264</u> (Street)	<u>Williams</u> (City)	<u>AZ</u> (State)
<u>928 606 0498</u> Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u>86046</u> (Zip)
Email Address <u>pet@aqualitywater.us</u>		

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: HOAMCO
(Name)

531 MADISON Ave. Prescott Az 86301
(Street) (City) (State) (Zip)

928-776-4479 928-776-0050
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: _____
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address _____

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

CROSS CREEK RANCH WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	97,311.00	14,598.00	82,713.00
307	Wells and Springs	148,484.00	22,272.00	126,212.00
311	Pumping Equipment	135,709.00	19,358.00	116,351.00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	133,096.00	19,965.00	113,131.00
331	Transmission and Distribution Mains	516,438.00	77,466.00	438,972.00
333	Services	106,366.00	15,954.00	90,412.00
334	Meters and Meter Installations	2,228.00	116.00	2,112.00
335	Hydrants	82,790.00	12,420.00	70,370.00
336	Backflow Prevention Devices	22,160.00	3,324.00	18,836.00
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	7,512.00	1,128.00	6,384.00
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1,252,094.00	186,601.00	1,065,493.00

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME CROSS CREEK RANCH WATER COMPANY

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	97,311.00	5%	4,866.00
307	Wells and Springs	148,484.00	5%	7,424.00
311	Pumping Equipment	135,709.00	5%	6,786.00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	133,096.00	5%	6,655.00
331	Transmission and Distribution Mains	514,438.00	5%	25,822.00
333	Services	104,366.00	5%	5,318.00
334	Meters and Meter Installations	2,228.00	5%	111.00
335	Hydrants	82,790.00	5%	4,140.00
336	Backflow Prevention Devices	22,160.00	5%	1,180.00
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	7512.00	5%	376.00
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1,252,074.00		62,606.00

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME CROSS CREEK RANCH WATER COMPANY

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 8,169.00	\$ 1,100.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		5,500.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 8,169.00	\$ 6,155.00
	FIXED ASSETS		
101	Utility Plant in Service	\$1,243,077.00	\$1,252,095.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	<124,220.00>	<186,601.00>
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 1,118,857.00	\$ 1,065,494.00
	TOTAL ASSETS	\$ 1,127,026.00	\$ 1,071,649.00

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME CROSS CREEK RANCH WATER COMPANY

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0.00	\$ 920.00
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,160.00	800.00
236	Accrued Taxes	1,260.00	710.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 2,420.00	\$ 2,430.00
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 6,535.00	\$ 6,535.00
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	1,241,872.00	1,241,872.00
272	Less: Amortization of Contributions	<124,188.00>	<193,074.00>
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 1,117,684.00	\$ 1,048,798.00
	TOTAL LIABILITIES	\$ 1,126,639.00	\$ 1,057,763.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value	1,000.00	19,500.00
215	Retained Earnings	<5,612.00>	<5,614.00>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 388.00	\$ 13,886.00
	TOTAL LIABILITIES AND CAPITAL	\$ 1,127,026.00	\$ 1,071,649.00

COMPANY NAME CROSS CREEK RANCH WATER COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 8,019.00	\$ 12,870.00
460	Unmetered Water Revenue	3,662.00	7,468.00
474	Other Water Revenues	96.00	2,186.00
	TOTAL REVENUES	\$ 11,777.00	\$ 22,464.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power		12,209.00
618	Chemicals		
620	Repairs and Maintenance	318.00	3,349.00
621	Office Supplies and Expense		
630	Outside Services	12,495.00	11,919.00
635	Water Testing	105.00	263.00
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	135.00	14.00
675	Miscellaneous Expense	166.00	132.00
403	Depreciation Expense		287.00
408	Taxes Other Than Income		
408.11	Property Taxes		524.00
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 22,486.00	\$ 28,698.00
	OPERATING INCOME/(LOSS)	\$ <10,709.00>	\$ <6,234.00>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	78.00	
426	Miscellaneous Non-Utility Expenses		<133.00>
427	Interest Expense		<100.00>
	TOTAL OTHER INCOME/(EXPENSE)	\$ 78.00	\$ <233.00>
	NET INCOME/(LOSS)	\$ <10,631.00>	\$ <6,467.00>

COMPANY NAME CROSS CREEK RANCH WATER COMPANY

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 6,535.00

Meter Deposits Refunded During the Test Year \$ 0-

COMPANY NAME	<i>CROSS CREEK RANCH WATER COMPANY</i>
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
<i>17436</i>	<i>UNKNOWN</i>					

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>10 HP</i>	<i>2</i>	<i>27</i>	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
<i>250,000</i>	<i>1</i>		<i>1</i>

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	12
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	CROSS CREEK RANCH WATER COMPANY
Name of System	ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	10	64,941	64,941	64,941
FEBRUARY	10	113,728	113,728	113,728
MARCH	12	78,058	78,058	78,058
APRIL	12	128,857	128,857	128,857
MAY	12	116,653	116,653	116,653
JUNE	12	103,862	103,862	103,862
JULY	12	246,851	246,851	246,851
AUGUST	12	497,200	497,200	497,200
SEPTEMBER	12	232,211	232,211	232,211
OCTOBER	13	98,816	98,816	98,816
NOVEMBER	13	191,823	191,823	191,823
DECEMBER	13	14,080	14,080	14,080
TOTALS →		1,887,080	1,887,080	1,887,080

What is the level of arsenic for each well on your system? unknown mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (✓) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes (✓) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (✓) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME CROSS CREEK RANCH WATER COMPANY YEAR ENDING 12/31/2006

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 525.92

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>YAVAPAI</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>G Paul Claus, President</u>
COMPANY NAME
<u>CROSS CREEK RANCH WATER COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

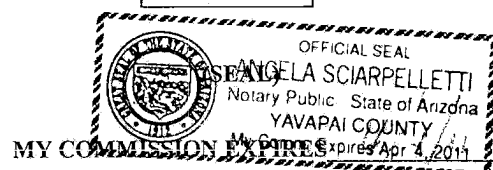
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

G Paul Claus
SIGNATURE OF OWNER OR OFFICIAL
928-282-4479
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14 DAY OF



COUNTY NAME
<u>YAVAPAI</u>
MONTH
<u>June</u>
YEAR
<u>2007</u>

Angela Sciarpelletti
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME CROSS CREEK RANCH WATER COMPANY YEAR ENDING 12/31/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 22,523
Estimated or Actual Federal Tax Liability (6,734)

State Taxable Income Reported (6,734)
Estimated or Actual State Tax Liability 45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances —
Amount of Gross-Up Tax Collected —
Total Grossed-Up Contributions/Advances —

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

G. Paul Claus
SIGNATURE

6/14/07
DATE

G. Paul Claus
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) YAVAPAI
NAME (OWNER OR OFFICIAL) TITLE G Paul Claus, President
COMPANY NAME CROSS CREEK RANCH WATER COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 22,464.00

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL

928-282-4479
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS _____ DAY OF

COUNTY NAME	YAVAPAI	
MONTH	June	2007



OFFICIAL SEAL
ANGELA SCIARPELLETTI
Notary Public, State of Arizona
YAVAPAI COUNTY
My Comm. Expires Apr. 4, 2011

MY COMMISSION EXPIRES 4/4/11


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI</u>	
NAME (OWNER OR OFFICIAL) <u>G. Paul Claus</u>	TITLE <u>President</u>
COMPANY NAME <u>CROSS CREEK RANCH WATER COMPANY</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>22,464.00</u>

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0 -
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

G. Paul Claus
SIGNATURE OF OWNER OR OFFICIAL
928-282-4479
TELEPHONE NUMBER

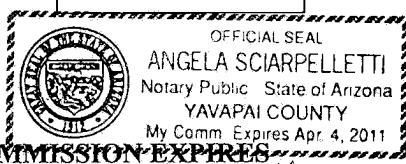
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14 DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME <u>Angela Sciarpetti</u>	
COUNTY NAME <u>YAVAPAI</u>	
MONTH <u>June</u>	20 <u>07</u>

X Angela Sciarpetti
SIGNATURE OF NOTARY PUBLIC